

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
W. R. GRACE & CO., <u>et al.</u> , <sup>1</sup>	)	Case No. <b>01-1139 (JKF)</b>
	)	Jointly Administered
Debtors.	)	
	)	
	)	

**FIFTH INTERIM APPLICATION OF DELOITTE TAX LLP FOR  
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES FOR  
OCTOBER 1, 2007 THROUGH JUNE 30, 2008**

Name of Applicant: Deloitte Tax LLP ("Deloitte Tax").

Authorized to Provide Professional Services to: The above-captioned debtors and debtors-in-possession.

Date of Retention: December 20, 2004.

Period for which Compensation and Reimbursement is Sought: October 1, 2007 through June 30, 2008.

Amount of Compensation Sought as: **\$37,915.00**

Amount of Expense Reimbursement Sought Actual, Reasonable and Necessary: None.

This is a:     \_\_ monthly     **X** interim     \_\_ final application.

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

**SUMMARY OF MONTHLY APPLICATIONS FILED FOR THIS  
COMPENSATION PERIOD**

Date Filed	Period Covered	Requested Fees	Approved Fees	Requested Expenses	Approved Expenses
	10/01/07 – 10/37/07	\$11,177.00	Pending per this interim application	\$ 0	\$0
	11/01/07 – 11/30/07	\$16,048.00	Pending per this interim application	\$ 0	\$ 0
	12/01/07 – 12/31/07	\$1,793.00	Pending per this interim application	\$ 0	\$ 0
	01/01/08 – 01/31/08	\$3,668.00	Pending per this interim application	\$0	\$0
	02/01/08 – 02/29/08	\$693.00	Pending per this interim application	\$0	\$0
	03/01/08 – 03/31/08	\$1,778.00	Pending per this interim application	\$0	\$0
	05/01/08 – 05/31/08	\$1,262.00	Pending per this interim application	\$0	\$0
	06/01/08 – 06/30/08	\$1,496.00	Pending per this interim application	\$0	\$0
Total:		\$37,915.00		\$0	\$0

Actual Fees Sought Hereunder: \$37,915.00

Actual Expenses Sought Hereunder: \$0.00

**COMPENSATION SOUGHT BY PROFESSIONAL**

<b>Name of Professional</b>	<b>Position and Line of Services</b>	<b>Total Hours Billed</b>	<b>Billing Rate</b>	<b>Total Compensation</b>
Collins, Bryan	Partner – National Tax	9.50	\$600	\$5700
Dahlberg, James	Partner – National Tax	0.50	\$600	\$300
Dean, Lee Ann	Senior Manager – National Tax	0.50	\$515	\$258
Gareau, Matthew	Senior Manager – National Tax	2.00	\$515	\$1030
Goldstein, Seth	Partner – National Tax	6.40	\$600	\$3840
Haecker, Carol	Director – National Tax	0.90	\$600	\$540
Huyke, Frances	Administrative Assistant - Services	0.70	\$70	\$49
Klein, James	Principal – GES Tax	1.80	\$600	\$1080
O'Donnell, Jeffrey	Partner – National Tax	0.40	\$600	\$240
Prillaman, Garner	Partner – National Tax	1.50	\$600	\$900
Ricks, Jo Lynn	Director – National Tax	0.70	\$600	\$420
Ross, Lecia	Administrative Assistant - Services	25.70	\$70	\$1799
Rothenberg, Robert	Director – National Tax	0.30	\$600	\$180
Sina, Jeremy	Senior Associate – National Tax	0.40	\$310	\$124
Trump, Christopher	Senior Manager – National Tax	1.40	\$515	\$721
Tuerff, Timothy	Partner – National Tax	9.70	\$600	\$5820
Wanek, Mark	Manager – National Tax	29.50	\$475	\$14014
Wegener, Stephen	Principal – National Tax	0.70	\$600	\$420
Zimbalist, Isaac	Partner – National Tax	0.80	\$600	\$480

Total Fees: \$37,915.00

Total Hours : 93.40

Blended Rate: \$ 405.94

**COMPENSATION SOUGHT BY PROJECT CATEGORY  
FOR ENTIRE COMPENSATION PERIOD**

<b>Project Category</b>	<b>Hours</b>	<b>Professional Fees</b>
339 question	.40	\$ 1,440.00
Administrative services	8.40	\$ 3,048.00
Currency issue	.20	\$ 1,320.00
FTC	.40	\$ 240.00
International Tax Planning	.80	\$ 1,080.00
International Tax Planning - Repatriation	.10	\$ 997.50
IRS appeals issue	.30	\$ 1,920.50
Lonely Parent	.60	\$ 1,449.50
NOL Carryback	.40	\$ 240.00
Project Chekhov	.10	\$ 660.00
Repatriation/ 304/E&P	8.70	\$ 25,519.50
<b>TOTAL</b>	<b>93.40</b>	<b>\$ 37,915.00</b>

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	)	Jointly Administered
Debtors.	)	
	)	
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**FIFTH INTERIM APPLICATION OF DELOITTE TAX LLP FOR  
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES  
FOR OCTOBER 1, 2007 THROUGH JUNE 30, 2008**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court’s ‘Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members’, signed April 17, 2002, amending the Court’s ‘Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food ‘N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Monthly Interim Compensation and Reimbursement of Expenses of Professionals', entered May 3, 2001 (together, the "Administrative Order"), the firm of Deloitte Tax LLP ("Deloitte Tax") hereby files this Fifth Interim Application of Deloitte Tax LLP for Compensation and for Reimbursement of Expenses for October 1, 2007 through June 30, 2008 (the "Fifth Interim Application"). By this Fifth Interim Application Deloitte Tax seeks the interim allowance of compensation in the amount of \$37,915.00 for the period October 1, 2007 through June 30, 2008 (the "Interim Period"). Deloitte Tax incurred no expenses in providing services to the Debtors during the Interim Period. In support of this Fifth Interim Application, Deloitte Tax respectfully represents as follows:

**Background**

1. On April 2, 2001 (the "Petition Date"), each of the debtors (collectively, the "Debtors") filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their properties and assets as debtors in possession. No trustee has been appointed in the Debtors' chapter 11 cases.
2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2).
3. On April 2, 2001, the Court entered its order that the Debtors' chapter 11 cases be consolidated for procedural purposes only and administered jointly.
4. The Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed R. Bankr. P. 2014(a), 2016 and 5002 Authorizing the Employment and Retention of Deloitte Tax

LLP as Tax Service Providers to the Debtors Nunc Pro Tunc to August 22, 2004 was entered by this Court on December 21, 2004. Prior to August 22, 2004, tax advisory services, along with certain customs procedures review services were provided to the Debtors by Deloitte & Touche LLP ("Deloitte & Touche"). As of August 22, 2004, such services have been performed by Deloitte Tax.

5. Pursuant to the procedures set forth in the Administrative Order, professionals may request monthly compensation and reimbursement, and interested parties may object to such requests. If no interested party objects to a professional's request within twenty (20) days, the applicable professional may submit to the Court a certification of no objection authorizing the interim compensation and reimbursement of eighty percent (80%) of the fees requested and one hundred percent (100%) of the expenses requested, subject to the filing and approval of interim and final fee applications of the professional. The professional is also required to file a quarterly interim fee application. As set forth above, the interim period covered by this Fifth Interim Application includes the entire period from October 1, 2007 through June 30, 2008.

6. Attached hereto as Appendix A is the Verification of Timothy Tuerff of Deloitte Tax.

**Monthly Fee Applications Covered Herein**

7. The monthly fee applications covered by this Fifth Interim Fee Application have been previously filed with the Bankruptcy Court and contain detailed daily time logs describing the services provided by Deloitte Tax during the Interim

Period, as well as other detailed information required to be included in the fee applications filed with the Court in these chapter 11 cases. Copies of these previously-filed monthly applications are available upon request. Those monthly applications include the following:

8. On July 24, 2008, Deloitte Tax filed the Thirty-Second Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from October 1, 2007 through October 31, 2007 (the "Thirty-Second Monthly", Docket No. 19151) requesting \$11,177.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Second Monthly, and the corresponding Certificate of No Objections (Docket No. 19316) was filed with this court on August 14, 2008.

9. On July 24, 2008, Deloitte Tax filed the Thirty-Third Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from November 1, 2007 through November 30, 2007 (the "Thirty-Third Monthly", Docket No. 19152) requesting \$16,048.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Third Monthly, and the corresponding Certificate of No Objections (Docket No. 19319) was filed with this court on August 14, 2008.

10. On July, 24, 2008, Deloitte Tax filed the Thirty-Fourth Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from December 1, 2007



through December 31, 2007 (the "Thirty-Fourth Monthly", Docket No. 19153) requesting \$1,793 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Fourth Monthly, and the corresponding Certificate of No Objections (Docket No. 19320) was filed with this court on August 14, 2008.

11. On October 1, 2008, Deloitte Tax filed the Thirty-Fifth Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from January 1, 2008 through January 31, 2008 (the "Thirty-Fifth Monthly", Docket No. 19665) requesting \$3,668.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Fifth Monthly, and the corresponding Certificate of No Objections (Docket No. 19840) was filed with this court on October 22, 2008.

12. On October 1, 2008, Deloitte Tax filed the Thirty-Sixth Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from February 1, 2008 through February 29, 2008 (the "Thirty-Sixth Monthly", Docket No. 19666) requesting \$693.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Sixth Monthly, and the corresponding Certificate of No Objections (Docket No. 19841) was filed with this court on October 22, 2008.

13. On October 1, 2008, Deloitte Tax filed the Thirty-Seventh Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from March 1, 2008 through

March 31, 2008 (the "Thirty-Seventh Monthly", Docket No. 19667) requesting \$1,778.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Seventh Monthly, and the corresponding Certificate of No Objections (Docket No. 19842) was filed with this court on October 22, 2008.

14. On October 1, 2008, Deloitte Tax filed the Thirty-Ninth Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from May 1, 2008 through May 31, 2008 (the "Thirty-Ninth Monthly", Docket No. 19668) requesting \$1,262.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Thirty-Ninth Monthly, and the corresponding Certificate of No Objections (Docket No. 19843) was filed with this court on October 22, 2008.

15. On October 1, 2008, Deloitte Tax filed the Fortieth Monthly Application of Deloitte Tax LLP for Compensation for Services Rendered and Reimbursement of Expenses to the Debtors for the Period from June 1, 2008 through June 30, 2008 (the "Fortieth Monthly", Docket No. 19669) requesting \$1,496.00 in fees and \$0.00 in expenses. No objections were filed with respect to the Fortieth Monthly, and the corresponding Certificate of No Objections (Docket No. 19844) was filed with this court on October 22, 2008.

16. Deloitte Tax's records indicate that it did not render services to the Debtors during the thirty-eighth monthly period from April 1, 2008 through April 30, 2008. Accordingly, Deloitte Tax filed no "Thirty-Eighth Monthly" application for this

period and seeks no fees at this time for this period. In the event that Deloitte Tax subsequently discovers that it incurred fees during this period, requests for payment of such fees will be included in future monthly applications or interim fee applications of Deloitte Tax.

**Prior Interim Fee Application**

17. On September 12, 2005, Deloitte Tax filed the First Interim Application of Deloitte Tax LLP for compensation and for reimbursement of expenses for August 22, 2004 through March 31, 2005 seeking interim approval of compensation in the amount of \$273,951.00 and expense reimbursement in the amount of \$1,986.00.

18. On June 8, 2007, Deloitte Tax filed the Second Interim Application of Deloitte Tax LLP for compensation and for reimbursement of expenses for August 1, 2005 through December 31, 2006 seeking interim approval of compensation in the amount of \$154,373.00 and no expense reimbursement.

19. On November 11, 2007, Deloitte Tax filed the Third Interim Application of Deloitte Tax LLP for compensation and for reimbursement of expenses for January 1, 2007 through March 31, 2007 seeking interim approval of compensation in the amount of \$90,835.00 and no expense reimbursement.

20. On February 21, 2008, Deloitte Tax filed the Fourth Interim Application of Deloitte Tax LLP for compensation and for reimbursement of expenses for April 1, 2007 through September 31, 2007 seeking interim approval of compensation in the amount of \$88,279.00 and expense reimbursement in the amount of 3676.00.

21. Deloitte Tax's records indicate that it did not render services to the Debtors during the three month period from April 1, 2005 through July 31, 2005. Accordingly, Deloitte Tax filed no monthly or interim fee applications for this period and seeks no fees at this time for this period. In the event that Deloitte Tax subsequently discovers that it incurred fees during this period, requests for payment of such fees will be included in future monthly applications or interim fee applications of Deloitte Tax.

**Requested Relief**

22. By this Fifth Interim Application, Deloitte Tax requests that the Court approve the interim allowance of compensation for professional services rendered in the amount of \$37,915.00 for services rendered by Deloitte Tax during the Interim Period. The full scope of the services provided are fully described in the above-referenced monthly fee applications for the Interim Period that already have been filed with the Court.

23. At all relevant times, Deloitte Tax has been a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code and has not represented or held an interest adverse to the interest of Debtors.

24. All services for which compensation is requested by Deloitte Tax were performed for or on behalf of Debtors and not on behalf of any committee, creditor, or other person.

25. During the Interim Period, Deloitte Tax has received no promises for payment from any source for services rendered or to be rendered in any capacity

whatsoever in connection with Debtors' cases. Deloitte Tax has no agreement with any non-affiliated entity to share any compensation earned in these chapter 11 cases.

26. The professional services for which Deloitte Tax requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with Deloitte Tax's provision of tax advisory services for Debtors in these chapter 11 cases. Deloitte Tax's services have been necessary and beneficial to Debtors and their estates, and other parties in interest.

WHEREFORE, Deloitte Tax respectfully requests that the Court enter an order providing that, for the period of November 1, 2007 through June 30, 2008, an allowance be made to Deloitte Tax in the sum of \$37,915.00 as compensation for reasonable and necessary professional services rendered to Debtors, that Debtors be authorized and directed to pay to Deloitte Tax the outstanding amount of such sum; and for such other and further relief as this Court deems proper.

Dated: November 4, 2008

DELOITTE TAX LLP

A handwritten signature in cursive script, appearing to read "Timothy Tuerff", is written over a horizontal line.

Timothy Tuerff, Partner  
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Washington, DC 20004

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Customs tax advisors for Debtors and Debtors-in-  
Possession